

12 May 1988

OS REGISTRY

8-0687X

MEMORANDUM FOR: Deputy Director for Administration
Director of Personnel

From: [REDACTED] Congressional Affairs

SUBJECT: Advanced Copy of Senate Authorization
Bill for FY 1989

1. Attached is a copy provided by the SSCI staff of the FY 1989 Intelligence Authorization Act. You should note the following Sections:

--Section 103 authorizes 2 percent excess in personnel ceiling.

--Section 301 funds CIARDS for FY 1989.

--Section 502 amends CIARDS to provide for FERS "second chance."

--Section 601 sets up demo project for FBI benefits in New York.

cc: D/OL
D/CS
DD/EB&S/OP

ADMINISTRATIVE/INTERNAL USE ONLY

CONGRESS

2ND

SESSION

S.

NOTE.—Fill in all blank lines except
those provided for the date, num-
ber, and reference of bill.)

J.B.
R.R.
M.R.
R.B. (last)

IN THE SENATE OF THE UNITED STATES

Mr. BOREN

introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To authorize appropriations for fiscal year 1989 for the intelligence activities of the United States Government, the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes.

(Insert title of bill here)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act, Fiscal Year 1989".

TITLE I -- INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. (a) Funds are hereby authorized to be appropriated for fiscal year 1989 for the conduct of the intelligence activities of the following elements of the United States Government:

- (1) The Central Intelligence Agency
- (2) The Department of Defense
- (3) The Defense Intelligence Agency
- (4) The National Security Agency
- (5) The Department of the Army, The Department of the Navy, and the Department of the Air Force

(b) In addition to the amounts authorized to be appropriated in this Act for the Federal Bureau of Investigation for fiscal year 1989, there is authorized to be appropriated \$15,100,000 to be expended solely for carrying out its functions relative to the implementation of the Intermediate Range Nuclear Forces Treaty.

CLASSIFIED SCHEDULE OF AUTHORIZATIONS

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1989, for the conduct of the intelligence activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Select Committee on Intelligence. That Schedule of Authorizations shall be made available to the Committee on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

PERSONNEL CEILING ADJUSTMENTS

SEC. 103. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized for fiscal year 1989 under sections 102 and 202 of this Act when he determines that such action is necessary to the performance of important intelligence functions, except that such number may not, for any element of the Intelligence Community, exceed 2 per centum of the number of civilian personnel authorized under such sections for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

TITLE II -- INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the

AUTHORIZATION OF PERSONNEL END STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized 244 full-time personnel as of September 30, 1989. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1989, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence activities.

(c) During fiscal year 1989, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a non-reimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1989, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et. seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et. seq.) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III -- CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for

TITLE IV -- GENERAL PROVISIONS

AUTHORITY FOR CONDUCT OF INTELLIGENCE ACTIVITIES

SEC. 401. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

INCREASES IN EMPLOYEE BENEFITS AUTHORIZED BY LAW

SEC. 402. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.

TITLE V -- CENTRAL INTELLIGENCE AGENCY ADMINISTRATIVE PROVISIONS

ONE-TIME PERSONNEL AUTHORITY

SEC. 501. (a) Whenever the Director of Central Intelligence finds during fiscal year 1989 that a former employee of the Central Intelligence Agency has unfairly had his career with the Agency adversely affected as a result of allegations concerning the loyalty to the United States of such former employee, the Director may grant such former employee such monetary or other relief (including reinstatement and promotion) as the Director considers appropriate in the interest of fairness.

(b) Any action of the Director under this section is not reviewable in any other forum or in any court.

(c) The authority of the Director to make payments under subsection (a) is effective only to the extent that appropriated funds are available for that purpose.

(d) The Director shall report to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives any use of the authority granted by this section in advance of such use.

FERS-CIARDS SPECIAL ELECTION AUTHORITY

SEC. 502. (a) Subsection (d) of section 301 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, is redesignated as subsection (e); and

(b) A new subsection (d) is added after subsection (c) as follows:

"(d) An employee who has been designated as a participant in the Central Intelligence Agency Retirement System after December 31, 1987, pursuant to section 203 of this Act, may elect to become subject to Chapter 84 of title 5, United States Code. An election under this paragraph--

(1) shall not be effective unless it is made during the six-month period after the enactment of this section, or during the six-month period beginning on the date on which the employee is so designated, whichever comes first;

(2) shall take effect beginning with the first pay period beginning after the date of the election; and

(3) shall be irrevocable."

AUTHORITY TO COMPENSATE RETIRED MILITARY PERSONNEL SERVING ON DCI ADVISORY COMMITTEES

SEC. 503. Subsection (a) of section 303 of the National Security Act of 1947 (50 U.S.C. 405) is amended by adding at the beginning of the last sentence "Retired members of the uniformed services employed by the Director of Central Intelligence who hold no other office or position under the United States for which they receive compensation,"; and by changing the word immediately thereafter from "Other" to "other."

REPORTS CONCERNING INSPECTOR GENERAL ACTIVITIES

SEC. 504. The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et. seq.) is amended by adding after section 16

"Section 17. Reports of Inspector General Activities.

The Director of Central Intelligence shall furnish to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives the following reports relating to the activities of the Inspector General at the Central Intelligence Agency:

(a) A report made at the time any Inspector General is selected by the Director of Central Intelligence, specifying the name of the person selected, and certifying that such selection was made without regard to political affiliation. Such report shall also include a certification that the person selected meets CIA security requirements and has had prior senior experience in the foreign intelligence field. It should also describe the background of such person as it relates to his or her experience in accounting, law, financial analysis, management analysis, public administration, other field directly relevant to the performance of functions assigned the Inspector General;

(b) A report made at the time any Inspector General is removed by the Director of Central Intelligence, specifying the basis for such removal;

(c) Semi-annual reports, to be furnished not later than June 30 and December 31 of each year, summarizing the activities of the Office of Inspector General for the preceding six-month period. Such reports shall include: (i) a certification that such activities have been carried out in accordance with accepted federal standards for inspections, investigations, and audits; (ii) a certification that the Inspector General has had full and direct access to all information relevant to his activities; (iii) a description of any violation of law or willful violation of regulations, or any evidence of serious fraud, waste and abuse, identified during the reporting period; and (iv) the status of corrective actions taken during the reporting period in response to Inspector General recommendations;

(d) A report of any decision made by the Director of Central Intelligence to prohibit the Inspector General from initiating, carrying out, or completing any audit, inspection, or investigation within the Central Intelligence Agency, to be made within seven days of such decision; and

(e) A report of any other decision made by the Director of Central Intelligence which would substantially affect the ability of the Inspector General to carry out his duties and responsibilities. Such report shall include the position of the Inspector General with respect to such decision, and be transmitted within seven days to the committees."

TITLE VI -- FBI ENHANCED COUNTERINTELLIGENCE AUTHORITIES

DEMONSTRATION PROJECT ON MOBILITY AND RETENTION

FOR THE NEW YORK FIELD DIVISION

SEC. 601. (a) Notwithstanding any other provision of law, the Director of the Federal Bureau of Investigation and the Director of the Office of Personnel Management shall conduct a demonstration project to ascertain the effects on the recruitment and retention of personnel, and on field operations in the New York Field Division of the Federal Bureau of Investigation of providing--

(1) lump-sum payments to personnel upon directed assignment to the New York Field Division from another geographical location, and who enter into an agreement to complete a specified minimum period of service, not to exceed three years, in the New York Field Division; and

(2) periodic payments to New York Field Division employees who are subject by policy and practice to directed geographical transfer or assignment.

(b) Such demonstration project shall commence no later than ninety days after the date of enactment of this Act and shall terminate five years after such date, unless extended by law.

TITLE VII -- DEPARTMENT OF DEFENSE

INTELLIGENCE PROVISIONS

SEC. 701. (a) Section 421 of title 10, United States Code, is amended to read as follows:

"Sec. 421. Funds for foreign cryptologic support.

(a) The Secretary of Defense may use appropriated funds available to the Department of Defense for intelligence and communications purposes to pay for the expenses of arrangements with foreign countries for cryptologic support.

(b) The Secretary of Defense may use funds other than appropriated funds to pay for the expenses of arrangements with foreign countries for cryptologic support without regard to the provisions of law relating to the use of the United States Government funds, except that--

(1) no such funds may be used, in whole or in part, by or for the benefit of the Department of Defense for a purpose for which Congress had previously denied funds;

(2) proceeds from the sale of cryptologic items may only be used to purchase replacement items similar to the items that are sold; and

(3) the authority provided by this subsection may not be used to acquire items or services for the exclusive benefit of the United States.

(c) Any funds used under the authority of this section shall be reported to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives pursuant to the provisions of title v of the National Security Act of 1947, as amended."